O 030811Z JUL 90 FM AMEMBASSY BAGHDAD TO SECSTATE WASHDC IMMEDIATE 4365 INFO ARABLEAGUE COLLECTIVE

C O N F I D E N T I A L BAGHDAD 03788

E.O. 12356: DECL:OADR TAGS: PREL US IZ

SUBJECT: PUBLIC IRAQI GESTURE TOWARD THE USG

- 11. CONFIDENTIAL ENTIRE TEXT.
- 12. THE BAGHDAD MORNING NEWSPAPERS ON JULY 2, THE FIRST DAY OF 'ID AL-ADHA, BROUGHT A VIRTUAL ANNOUNCEMENT OF SADDAM'S DESIRE FOR BETTER RELATIONS WITH THE USG. ALL FOUR ARABIC LANGUAGE DAILIES FEATURE ONE RPT ONE 'ID MESSAGE TO SADDAM, AND THAT MESSAGE IN ALL DAILIES IS BOXED IN A FEATURED POSITION UNDER A HEADLINE: "THE PRESIDENT RECEIVES 'ID GREETINGS FROM THE AMERICAN PRESIDENT." THE ENTIRE TEXT OF PRESIDENT BUSHES MESSAGE, INCLUDING THE SIGNATURE AND SALUTATION LINES, ARE PRINTED.
- 13. WE HAD RECEIVED THE PRESIDENT'S GREETINGS BY CABLE AT MID-DAY JULY 1, AND THE MFA PROTOCOL OFFICE KEPT ONE OFFICER PRESENT TO RECEIVE THE MESSAGE (EVERY ONE WAS DEPARTING EARLY TO BEGIN 'ID CELEBRATIONS) UNTIL WE COULD GET THERE. OBVIOUSLY THE MFA RUSHED THE TEXT OVER TO THE PRESIDENCY AND TOP LEVEL MFA OFFICIALS MADE A POINT OF INFORMING THE AMBASSADOR THAT THE TEXT OF THE MESSAGE HAD BEEN FEATURED ON THE JULY 1 NATIONAL TV NEWS.
- THE IRAQIS IN THE LAST FEW PAYS, HOWEVER, HAVE ALSO SIGNALED, IN PREDICTABLE TERMS, THAT THEY WILL NOT ALLOW THEMSELVES TO BE PERCEIVED AS PASSIVELY SUBMITTING TO WHAT THE GOVERNMENT AND PARTY LEADERSHIP REGARD AS AN ANTI-IRAQI "CAMPAIGN" BY WHAT THEY CALL "CERTAIN ELEMENTS" IN THE USG. THE MOST RECENT EXAMPLE OF THIS WAS THE FORTHRIGHT STATEMENT BY THE MINISTER OF TRADE (RESPONSIBLE FOR CCC AFFAIRS) TO CONGRESSMAN NIELSON JULY 1, THAT AS A RESULT OF SUSPENSION OF CCC CREDIT GUARANTEES (FOR REASONS THE GOI BELIEVES REFLECT UNJUSTIFIED HOSTILITY TOWARD IRAQ), THE GOI WILL BUY NO APT NO AMERICAN AGRICULTURAL PRODUCTS. (THAT SAME EVENING, THE WHOLE DIPLOMATIC CORPS GOT THE MESSAGE WHEN THE IRAQI MINISTER OF AGRICULTURE WAS DESPATCHED AS THE PRESIDENT'S REPRESENTATIVE TO THE CANADIAN NATIONAL DAY RECEPTION.)
- 15. THIS IRAQI DECISION IS NOT RPT NOT REGARDED LOCALLY AS "SANCTIONS" AGAINST AMERICAN PRODUCTS. SADDAM EXPLAINED TO ABC TV LAST WEEK THAT IRAQ WOULD NOT INITIATE ECONOMIC WARFARE OF THIS KIND. RATHER, THE IRAQIS SEE THEIR DECISION AS A RETALIATION TO A SANCTION TAKEN AGAINST THEM. SUCH A DECISION BY BAGHDAD WAS PREDICTABLE; THAT THE IRAQIS POSTPONED RETALIATION FOR SO LONG, AND EVEN RECEIVED AN AMERICAN INVESTIGATING TEAM FROM USDA, IS THE ONLY CURIOUS PART OF THE AFFAIR. THAT THE DECISION IS SO LONG IN COMING, AND THAT IT HAS NOT BEEN PROMULGATED, ARE FURTHER SIGNALS THAT IRAQ HOPES FOR BETTER BILATERAL RELATIONS ACROSS THE BOARD.
- 16. NOTE: FOR THE RECORD, ON THE MORNING OF JULY 2 DEPUTY FONMIN HAMDUN INFORMED THE AMBASSADOR THAT, ACCORDING TO THE PRESIDENCY, AFP WAS RUNNING A STORY ON ITS WIRE THAT A PRESS SPOKESMAN WITH PRESIDENT BUSH HAD DENIED THAT 'ID GREETINGS HAD BEEN SENT TO IRAQ. THE

DEPUTY MINISTER SAID HE HAD BEEN ORDERED TO GO TO THE FOREIGN MINISTRY (TOTALLY EMPTY ON THIS MUSLIM "CHRISTMAS DAY") AND STAY THERE UNTIL THE ISSUE WAS SORTED OUT. THE DEPUTY MINISTER EMPHASIZED THAT A DECISION HAVING BEEN TAKEN (BY SADDAM) TO REACH OUT TO US (BY GIVING PRESIDENT BUSH'S GREETINGS TOP BILLING OVER ALL MUSLIN AND NON-MUSLIM CHIEFS OF STATE), THERE WAS CONSTERNATION AT THE IRAQI PRESIDENCY.

 $\underline{\mbox{1}} 7.$ SUBSEQUENTLY, WE WERE ABLE TO EXPLAIN THAT THE AFP STORY HAD BEEN AN AFP MISTAKE (POPE/GLASPIE TELECON 7/2/90).

GLASPIE